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ABSTRACT

Survey responses from 87 of a total of 486 camps were adjusted to reflect projected 1981 economic conditions and to indicate the significance of children's summer camps to the economy of Massachusetts. Six categories of camps were identified: agency day (185 camps); agency resident (84); private day (91); private resident (69); public day, special needs (45); and public day, regular (12). Projections indicated nearly $30,000,000 were paid in tuition fees for 2,812,611 camper-days. Private camps attracted more than 87% out-of-state campers and tuition. More than 20,000 individuals, 16,000 of whom were state residents, were employed, earning $8,134,362 in wages and salaries. The reported value of movable equipment and real estate owned by camps approached one-half billion dollars. Camp expenditures were projected to reach $14,558,731. For states considering replications of this or similar economic impact studies, it is recommended that they: (1) determine the extent of support for the study with a preliminary attitude survey; (2) establish an internal communication network to facilitate follow-up activity to increase the number of repondents; (3) survey camp staff personnel to determine levels of in-state spending practices; (4) use only short survey forms; and (5) compare statewide studies to identify patterns. (NEC)

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The Economic Impact of Children's Camps in Massachusetts

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Introduction

This project was inspired by a pioneering study begun in 1974 in Maine, at the Center for Research and Advanced Study, University of Maine, under the leadership of Frank M. Levine (1978). The annual impact of the children's camps in that state alone was found to approach 47 million dollars, a figure that exceeded the value of the Maine fishing catch for the same year.

This study was undertaken by the University of Massachusetts Agricultural Experiment Station in the summer of 1978, at the request of the Massachusetts Camping Association, Inc. (MCA). The principal objective was to assess the significance of children's summer camps in the Massachusetts economy. Recognizing that economic conditions in the Commonwealth changed rather significantly due to increasing inflation over past years, data were adjusted to reflect projected conditions as they existed in 1981.

It is commonly recognized that in addition to economic considerations, children's summer camps make important contributions to the well-being of significant segments of the citizenry of Massachusetts. For these reasons it was possible to enlist the financial aid of the University under the terms of the Hatch Act. Identified as a public-interest project, the study was set up under a cooperative agreement with the Massachusetts Agricultural Experiment Station. Accordingly, the actual cost to the MCA totaled only $4,000.

It was expected that the size of the camping movement in Massachusetts would exceed the Maine figures in absolute terms, but that the relative significance in the overall economy of the Commonwealth would be less, simply because of the much higher population, and the great size of such other segments of the Massachusetts economy as education, research and development, medicine, travel and tourism and general commerce.

Method

The survey developed for the Maine study (with minor modifications to adapt it to Massachusetts conditions) was sent to 227 (46.7%) of the 486 total camps in the state. To increase the response rate, a second mailing was carried out to all nonrespondents. Telephone follow-up calls accompanied both mailings. Because concerns related to the length of the original survey had been expressed, the shortened form used in Michigan was adapted for use in Massachusetts and used for the third and final mailing to nonrespondents.

Six categories of camps were identified: (1) agency day, (2) agency resident, (3) private day, (4) private resident, (5) public day, special needs and (6) public day, regular. A stratified random sampling technique was employed to insure that each category was represented in proper proportion.

Mean expenditures and revenues were calculated for the various categories for each camp. Projections to the total population were carried out to portray

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the statewide picture. Using the consumer price index for Boston, adjustments for inflation were applied to the baseline data which kept the findings current. Finally, although used very cautiously, a multiplier factor was applied to the data to estimate the total spin-off effect of camp expenditures; however, the multiplier factor was not utilized in the findings for specific categories. It was applied only to the grand total of all expenditures and readers are cautioned to regard this figure as rough estimates only.

Findings

Categories of camps, those sampled and response rates for each category are reported in Table 1. Percentages of each camp type were as follows: (1) agency, 55.3%; (2) private, 33.0%; and (3) public day, 11.7%. While close to half of the agency and public camp managers chose to complete the survey, only a little over one-fourth of the private camp owners participated despite the fact that it would seem that they had the greatest potential for benefiting since personal investments are at stake in the commercial sector.

Massachusetts children's camps not only serve a large number of individuals but generate a significant number of camper-days and noteworthy revenues for tuition. Projections for the entire state show that nearly thirty million dollars were paid in tuition fees for more than two million camper-days serving residents and non-residents alike (Table 2). Tuition was by far the greatest source of revenue for all camps (Table 3). Private camps were found to be responsible for attracting more than 87% of the out-of-state campers and 87.5% of the out-of-state tuition.

It is camp expenditures that constitute the foundation for assessing the economic impact of children's camps in the state. Table 4 reports that the greatest expenditures in terms of overall volume were by agency camps (slightly over $18 million). On the basis of per camp averages, however, expenditures were greatest by private camp owners spending almost $100 thousand per camp. It must be emphasized that results refer only to camp expenditures in Massachusetts. Determining out-of-state expenditures was beyond the scope of this study.

The camping industry in Massachusetts was responsible for employing more than 20,000 individuals, of whom almost 16,000 were state residents. The private sector was responsible for employing 33 percent of the total in-state staff compared to 59.6 percent employed by agency camps and 7.5 percent by public camps.

In the private sector, resident camps were found to draw heavily from out-of-state. In fact, almost 60 percent of their staffs did not reside in Massachusetts. There are obvious economic implications since many of these staff members return to their respective states with sizable portions of their salaries and wages. These are monies not spent in Massachusetts and so are of little importance to the Massachusetts economy although earned in the state. This would have been especially true for those paid at the conclusion of the camp season.

Massachusetts is a relatively small state, with an area of 8,257 square miles. Children's camps were found to control more than 100 square miles, or 1¼ percent of the total. A very high proportion, over 83 percent of the land owned by/for camps, is in the possession of agency camps.

The majority of lake and river footage is also controlled by agency camps. Agency camps control 70.1% of the total footage, exceeding one-half million feet of water

frontage. It should be emphasized, of course, that in the case of lakes, camp may not own surface area. The actual lake area reported to be owned totaled slightly over 4,000 acres, which means that many camps had direct access to lakes that were not under their ownership. In fact, many camps were uncertain as to ownership of the waters on which they have frontage.

The assets of Massachusetts camps are sizable. The reported value of movable equipment ($53,214,645) and real estate ($415,475,483) approached one-half billion dollars. Agency camps reported the greatest assets, followed by the private sector. In each case, real estate values represented the dominant influence.

Expenditures by all camps were projected to reach $34,558,731. It is recognized that the benefit to the economy of a state does not end with the expenditures by the camps; one must also consider a multiplier-effect which relates to the respending of dollars. The multiplier effect is an economic concept which recognizes that a dollar spent by a camp or a tourist is respent by the recipient, partly in the local area and partly outside. The local portion is again respent in a similarly split way. These diminishing ripples represent part of the value of the original dollar's value to the local economy. Maine, Michigan and Wisconsin have applied multipliers in efforts to reflect this value but it is important to emphasize that there are difficulties. Maine used a tourism multiplier (1.77) which was newly determined by a separate tourism research project done by others. It then also applied this same factor to general camp expenditures. Wisconsin had apparently good multipliers for certain counties. It adopted a multiplier of 2.0 and applied this state-wide.

A multiplier for the camping sector of the Massachusetts economy is not available. The Maine and Wisconsin figures are almost identical and may be used as a rough approximation. This factor of 1.8 would indicate that an additional benefit to the economy of the state equal to 80 percent of the direct camp expenditures would be generated by the respendings of those dollars. If the multiplier of 1.8 is applied to the total expenditures ($34,558,751), the additional spending generated would amount of $27,646,984. If these figures are combined, the overall value of the spending and respending would amount to $62,205,716 in 1978. Adjusting for inflation, expenditures were estimated to reach $85,906,092 for the year 1981. It must be emphasized, however, that the multiplier of 1.8 represents only a conservative estimate and, furthermore, expenditures by family and friends visiting children's camps were not included in the calculation. Although likely to be on the low side, these figures are quite impressive as measures of the impact of a highly important, statewide industry.

Discussion

Similar studies conducted in several states have found that it is difficult to obtain detailed responses from camp operators. The earlier studies in Maine, Connecticut and Massachusetts used a long, detailed questionnaire and considerable effort was required to obtain usable rates of return. Other studies, generally those conducted recently, have used a short form which probably produced higher response rates, but the information generated was much more limited because of the abbreviated form.

The best approach would include interview visits to the individual camps but the expense could be very high unless volunteer time and travel could be enlisted during the busy summer camp season. For example, the Massachusetts Public Health visitation study in 1978 cost in excess of $70,000.

Given such limitations, compromises must be made. The short questionnaire seems to offer the best choice, with its brevity posing a much smaller obstacle to the response rate. The short form also expedites analysis since much of the detail is already aggregated into a few general answers per camp. The resulting information is, of course, correspondingly limited.

When considering the response rates, it is worthwhile to note another reason for concern. Most of the other state-wide studies attempted a one-hundred-percent sample (i.e., the questionnaire was sent to all camps in the state). The numbers of camps in Massachusetts, being much larger, dictated a more complicated plan. A random sample of 45 percent of the camps of each type was sent questionnaires. In essence, the net sample of 218 camps was to speak for the derived population of 486 camps. The responses (complete and partial), however, numbered only 87. This represented a return of 39.9 percent of the sample, but the sample constituted only 45 percent of all the camps in the state. Overall, then, the responses constituted 18 percent of the total camp population. When another statewide study is quoted as receiving a response rate of, say, 40 percent it would mean that a multiplier of 2.5 would project the summed data to the total camp population for that state. The corresponding factor for Massachusetts was 5.5. The larger the factor, the greater the magnification of misleading or erroneous information, in what are at best rough approximations in all of these studies.

Most notably weak is the very poor response from the private day camps, with only five camps responding out of the sample of 41 representing the 91 camps in the total population of this type. This calls for a multiplier of 18.2 for projection purposes. Any future study will need to put much more emphasis on involving these operators.

In addition to preserving open space, as long as camp-controlled areas remain relatively undeveloped, options for future uses of such areas remain open. As soon as development of a more permanent type takes place, those options are removed or become highly limited. For example, one former camp in Pittsfield, Massachusetts is currently the site of a new condominium development. This may well be the most appropriate use of the former camp land. However, while the camp existed such options for land-use were kept open by the existence of the camp, and this constituted an important public service, completely separate from the public benefits resulting from what the camp was doing with youngsters. And, while the exemption for agency real estate restrains this particular potential for municipal revenue, it is also true that camp-controlled areas preserve open space, generate other revenues and operate without becoming a drain on the local community. In other words, very little support in municipal services is needed by camps from the communities in which they are located.

Calculating the total economic impact of children's camps is not a simple matter. For example, revenue data for which no information has been gathered include visitors paying for board and lodging in camp accommodations, income from harvesting of any agricultural crops, selling of forest products from managed timberland, sale of hay from the mowing of fields to keep them open, or the sale of leases, rights-of-way, and the like. It must also be remembered that revenue generated from other uses of the camp property in other seasons may produce funds not identified in this study.

While of some importance, the spending pattern of camp staff members was not assessed in this study. This would have been difficult to ascertain directly from staff members. Although information from camp directors might have been

obtained relating to cash advances paid to staff, such figures would give an unreliable underestimate at best since many staff members would not have needed an advance, yet would have had funds for personal spending.

The point is that the economic focus of this study did not include out-of-state expenditures; therefore, the economic "value" of out-of-state staff has been ignored in the absence of valid information on local spending. Conclusions centering around the importance of the camping industry's labor force represent an underestimate of the actual economic impact; the spending by 4,342, non-resident staff members would certainly add to the total Massachusetts picture.

Furthermore, the 1.8 multiplier factor applied to the expenditures in Massachusetts is probably an underestimate of salary expenditures made by Massachusetts residents. This factor is based on an assumption that 45 cents of each dollar is spent in-state. Massachusetts residents probably exceed this ratio because a greater percentage of the first re-spending of those dollars is likely to be in-state. There is no assurance, of course, that a multiplier factor for camp expenditures would be the same as for tourist dollars brought into the state.

Recommendations

As a result of the findings of this study, it is recommended that:

1. the results of this study be shared with key legislators in the state so that the magnitude of the industry is considered in the decision-making process.
2. the state camping association share findings with its membership so that camp owners and managers can be in a better position to articulate the value of their industry and to be able to make selected comparisons between their own camp's revenues, expenditures and assets in relation to the averages of those categories reported by their counterparts. (It must be kept in mind, however, that there were frequently great variations in responses; that is, the ranges of answers were often very wide. This is an obvious limitation. It was, however, the purpose of this study to focus on the statewide perspective; thus, findings may not be as relevant for individual camp directors as for the MCA as a whole.)
3. the MCA consider ways in which camps might be utilized more frequently during non-camping periods; considerably more revenue would be generated if such undertakings were to be successful. (This recommendation was also found to be deduced in the Maine study.)
4. The MCA should examine the findings of the other New England states that were studied to assess the relative importance of children's camps in Massachusetts compared to the other states in the region.

Methodological Recommendations

For states considering replications of this or similar economic impact studies, it is recommended that they:

1. determine the extent of support that exists for the study by conducting a preliminary survey of attitudes toward such an endeavor. A gauge of support can be expressed by providing camp owners/managers with self-addressed post-cards that solicit the expression of preliminary points of view. Survey data are difficult to collect if potential respondents do not feel that they will benefit by the results.

2. set up an internal communication network that facilitates follow-up activity to increase the number of respondents.
3. conduct a survey of camp staff personnel to determine levels of in-state spending practices.
4. use only a short survey form that asks for combined totals rather than detailed figures for a long list of categories. Perhaps references to tax returns would simplify the process for reporting both expenditures and revenues.
5. finally, comparisons of the findings from the various statewide studies should be examined carefully to identify any noteworthy patterns that may have become apparent. New survey forms could then be designed that are more refined that emphasize explantory rather than purely descriptive indicators.

	Agency			Private			Public Day			All
	Day	Resident	Total	Day	Resident	Total	Sp. Need	Regular	Total	Camps
Derived population	185	84	269	91	69	160	45	12	57	486
Net Sample	82	38	120	41	31	72	20	6	26	218
First Mailing	26	10	36	4	9	13	2	3	5	54
Second Mailing	5	4	9	0	3	3	1	3	4	16
Third Mailing	6	4	10	1	3	4	3	0	3	17
Total Usable Reponse	37	18	55	5	15	20	6	6	12	87
Overall Response Rates	45.1	47.4	45.8	12.2	48.4	27.8	30.0	100.0	46.2	39.9

Table 1. Response to the various questionnaires.

	Agency		Private		Public Day		All
	Day	Resident	Day	Resident	Sp. Need	Regular	Camps
Total tuition	6,906,780	2,694,403	6,593,542	13,430,150	53,640	259,080	29,937,595
Total camper-days	1,104,660	290,546	758,872	525,656	67,357	65,520	2,812,611
Total per camper-day	6.25	9.27	8.69	25.55	0.80	3.95	10,64

Table 2. Tuition per camper day.

	Agency			Private			Public Day			All
	Day	Resident	Total	Day	Resident	Total	Sp. Need	Regular	Total	Camps
Tuition	6,906,780	2,694,403	9,601,183	6,593,542	13,430,150	20,023,692	53,640	259,080	312,720	29,937,595
Food & milk contributions	81,025	52,626	133,651	0	0	0	0	0	0	133,651
Sponsor subsidies	804,830	63,490	868,320	19,037	0	19,037	32,094	10,840	42,934	930,291
Donated tangibles	141,988	3,570	145,558	0	0	0	850,612	0	850,612	996,170
Camp store	0	1,900	1,900	0	0	0	0	0	0	1,900
Rental income	514,423	39,890	554,313	0	441,980	441,980	5,745	0	5,745	1,002,038
Interest income	0	0	0	0	15,525	15,525	0	0	0	15,525
Miscellaneous	872,964	315,216	1,188,180	591,500	562,386	1,153,886	1,125	22,250	23,375	2,365,441
Total	9,322,010	3,171,095	12,493,105	7,204,079	14,450,041	21,654,120	943,216	292,170	1,235,386	35,382,611
Average (mean) per camp	50,389	37,751	46,442	79,166	209,421	135,338	20,960	24,347	21,673	72,804

Table 3. Camp revenues

	Agency			Private			Public Day			All
	Day	Resident	Total	Day	Resident	Total	Sp. Need	Regular	Total	Camps
Wages & salaries paid by camps	3,071,883	1,357,484	4,429,367	1,616,615	1,369,473	2,986,088	173,970	211,950	385,920	7,801,375
Wages & salaries paid by others	185,987	147,000	332,987	0	0	0	0	0	0	332,987
(Total wages and salaries)*	3,257,870	1,504,484	4,762,354	1,616,615	1,369,473	2,986,088	173,970	211,950	385,920	8,134,362
Pension plans	165,020	128,184	293,204	105,851	299,135	404,986	0	100	100	698,290
Medical services	34,524	42,835	77,359	1,820	78,069	79,889	0	0	0	157,248
Other staff costs	38,982	30,062	69,044	264,719	197,912	462,631	36,750	3,000	39,750	571,425
Totals	3,461,872	1,662,730	5,124,602	1,987,185	1,866,520	3,853,705	210,720	215,050	425,770	9,404,077

* Sub-totals not included in totals.

Table 4 . Expenditures for staff from Massachusetts.